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DE RUEHDE #0179/01 0731321
ZNR UUUUU ZZH
R 141321Z MAR 07
FM AMCONSUL DUBAI
TO RUEHC/SECSTATE WASHDC 5227
INFO RUEHC/DEPT OF LABOR WASHINGTON DC
RHMFIUU/DEPT OF JUSTICE WASHINGTON DC
RUEFHLC/DEPT OF HOMELAND SECURITY WASHINGTON DC
RUEHAD/AMEMBASSY ABU DHABI 2248
RUEHZM/GULF COOPERATION COUNCIL COLLECTIVE
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RUEHIL/AMEMBASSY ISLAMABAD 0251
RUEHDE/AMCONSUL DUBAI 8308

UNCLAS SECTION 01 OF 02 DUBAI 000179

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E.O. 12958: N/A

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SUBJECT: DUBAI TO DEPORT 200 WORKERS FOR ENGAGING IN VIOLENCE DURING
LABOR PROTESTS

REF: 06 DUBAI 01842

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11. (U) SUMMARY: The UAE Ministry of Labor announced that more than 200 workers would be deported for having participated in violence and instigating other workers to protest. Nearly 8000 workers, principally South Asian construction workers, had been involved in a two-day protest in which they demanded a pay increase and additional benefits. The Indian Labor Attache in Dubai (protect) said that most of those being deported had been identified as instigators and troublemakers and that only a few had been involved in damaging company property. He added that the subject of the strike, ETA-Ascon, is one of the best companies in Dubai, though he felt some of the workers' complaints had merit. End summary.

12. (U) 8000 workers of Dubai-based ETA-Ascon, a construction contractor, staged a two-day protest on March 10 and 11. On the second day, the protest turned violent and company vehicles were damaged and a manager was reported to have been injured. Over 200 workers were arrested and Dubai's riot police were mobilized. The protesters were demanding a salary increase and roundtrip tickets for home leave every two years. After the arrests, the remaining workers and the company reached an agreement and they returned to work. ETA-Ascon agreed to increase the workers daily salary by AED 2 (USD 0.54) and pay for a round-trip airfare every two years. The English language Khaleej Times reported that the workers were demanding a minimum pay increase of AED 200 (USD 54) per month in their basic salary plus AED 150 (USD 41) as a food allowance. The average worker earns between AED 550 to AED 650 (USD 149 to USD 177) a month.

13. (U) Speaking to the press on 11 March, Humeid bin Deemas, Assistant Under Secretary of the UAE Ministry of Labor, announced harsh penalties for more than 200 striking workers who, he claimed, had been engaged in violence. The workers will be deported and banned for life from working in the UAE. He said that the UAE Minister of Labor, Dr. Ali al-Kaabi, had ordered the issuance of 250 new labor permits at no cost to compensate ETA-Ascon. The local press quoted Bin Deemas as saying "the ministry has a clear policy regarding laborers who stop work arbitrarily and indulge in any violent protest. This is intolerable, as it threatens the stability of the local labor market." He added "their labor cards will be cancelled and a permanent work ban will be imposed on them. These workers will also not get any end-of-service benefits." (Comment: the end-of-service benefit is a final payment in which the

equivalent of one month's salary is paid for every year of employment with the company. End comment.)

¶4. (U) Abdullah Saeed Bin Suloom, head of the labor inspection unit at the Labor Ministry and member of the Permanent Committee of Labor Affairs in Dubai, (PCLAD), who negotiated with the workers and ETA-Ascon, was quoted in the English language daily Gulf News as saying: "Although the workers' claims are illegal, we agreed with the company's raising their salaries before the end of the contract period." The Khaleej Times quoted him as saying: "the company's officials maintained that all the entitlements of their laborers were being respected and their salaries paid on time." "The company," he added, "is abiding by all its contractual obligations and also providing hygienic accommodation and health care facilities."

¶5. (SBU) The Indian Labor Attache in Dubai told PolEconoff that the vast majority of the workers being deported had been identified as agitators and troublemakers by the company, but had not engaged in violence. The labor attache believed that at most 25 workers had actually been involved in damaging company vehicles and injuring the ETA-Ascon manager. ETA-Ascon told the attache that only one third of the arrested workers are Indian nationals, while the remainder are from Bangladesh, Nepal, and Pakistan.

¶6. (SBU) The Indian labor attache said that ETA-Ascon is one of the best employers in the UAE. The company provides the workers benefit packages and accommodations that are among the best by local standards. With regard to the workers' demands for increased salaries, ETA-Ascon told the attache that they would increase salaries if the UAE government sets a minimum wage higher than the current salaries. The labor attache commented that workers' pay has remained stagnant for years, while the cost of living has risen here and in their home countries; he feels that worker demands for higher salaries have merit.

¶7. (SBU) The Indian labor attache said that ETA-Ascon is one of the few companies that does direct deposit for workers'

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salaries. The company has a reputation for always paying salaries on time. Another employee benefit, which is not common in the UAE, is that in the event an employee's death the company pays AED 50,000 (USD 13,587) and three years salary to the employee's survivors.

¶8. (SBU) COMMENT: March 21, 2006 was the last time there was a violent demonstration by expatriate laborers in Dubai (reftel), only a few workers, who had clearly engaged in violence were deported. In this incident, by resolving to deport more than 200 workers, Ministry of Labor authorities seem to have reacted with greater severity to an incident which was somewhat less violent, likely to demonstrate that violence by laborers in the UAE will not be tolerated.

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